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Denmark

Organic Products

Increasing Danish Interest for Organic Exports

2000

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Report Highlights:

Danish organic export survey finds 75 percent of the companies interested in exporting to the near markets: UK, Germany and Sweden. Only little interest for other countries. Most organic exporting companies are medium or small sized.

Includes PSD changes:No

Includes Trade Matrix:No

The Danish Organic Service Center has surveyed 146 random sampled Danish organic production companies for their export activities and internationalization degree. Furthermore, the survey has unveiled information required by the companies in relation to further export assistance.

Of the 146 companies, 98 responded and of these 88 were included in the conclusive examinations. The companies produced organic dairy products, fruit and vegetables, cereals and flour, bread and cookies, meat, eggs and other products. Organic producing companies are mostly small and medium sized and are mostly directed towards the domestic market.

Out of the 88 companies, 33 were already exporting while 35 considered exports. Most companies were exporting conventional food as well as organic food. The three major markets were UK, Germany and Sweden while only few companies exported to the next rated markets as France, U.S. and Austria.

On the question on which market information had specific interest for the companies, 70 percent of the respondents replied that they needed more information on the national requirements for organic production. 25 percent responded that they had experienced difficulties in having their products approved by the importing countries. Sweden was the most difficult country.

Supplies of organic milk is by far exceeding the Danish demand and although the Danish consumption of organic milk constitute 20 percent of total consumption, only half of organic milk produced is sold as such. The balance is sold as ordinary milk, at ordinary milk prices. The dairies are therefore looking for export opportunities, especially the UK and German markets. Reports for these two markets indicate that demand now changes from being a niche product to daily consumption.

At present, Danish requirements for organic milk production is that 75 percent of the feed must be organic. EU regulation effective from August 2000 will over a five year period increase this to 100 percent.

According to other reports developed by the Danish Organic Service Center, 15 percent of the population in the UK demand organic produce. UK is importing about 40 percent of their total organic dairy consumption and the organic dairy market is one of the fastest growing markets. In UK, sales of organic produce have change from organic health stores to super markets. The Danish dairies will concentrate on exports of cheese and butter. From August 24, 2000, the Danish dairies will be structured to export organic dairy products according to EU organic regulations.